

Patient Classification Tool

Long Term Care Development Projects

PATIENT CLASSIFICATION PROGRESS REPORT

NO. 9

DECEMBER 1989

Patient Classification Implementation Update

We are midway through the first year of the implementation of the Patient Classification (case mix based) funding system. An additional \$12 million was added into the long term care system for nursing care to implement the Patient Classification System. These funds were distributed as follows:

- 24 hour Registered Nurse coverage in all facilities
\$1 million
- Increase in the percentage of Registered Nurses to a minimum 22% (from 16%) of the nursing care complement
\$2.9 million
- Increase in nursing administration time to 0.5 FTE in facilities with fewer than 40 beds
\$100,000
- Increase in total nursing hours in facilities with heavier care requirements: 62 nursing homes and 8 auxiliary hospitals received funding above 1988/89 budgets for additional nursing hours based on patient classification results
\$8 million

The new funding system will be phased in over a period of several years. Facilities' case-mix indices (based on their classification results) were used to allocate additional funding for direct nursing care in the 1989/90 fiscal year. During the next few months, the department will work with the Alberta Hospital Association and the Alberta Long Term Care Association to fine tune the operational features of the new funding system. In addition, more program changes will be introduced to integrate services provided by auxiliary hospitals and nursing homes.

To date, reactions to the new funding system have been very positive. Despite such a massive system-wide change, no major difficulties have surfaced. The department continues to work with the Patient Classification Consultation Group (comprised of representatives from

the AHA and the ALTCA) on post-implementation issues. Some of the issues being examined include the use of Registered Psychiatric Nurses, reporting requirements, supply costs, oxygen use in nursing homes, and the impact of the new funding system on nursing homes and auxiliary hospitals.

Registered Psychiatric Nurses

The definition of a nurse in the Nursing Homes Operation Regulation has been changed to allow Registered Psychiatric Nurses (R.P.N.s) to be counted as nurses for the 22% R.N. requirement for nursing hours. The change was made to recognize the important role of R.P.N.s in Alberta's long term care system. For example, the 1988 province-wide classification results showed that 57 percent of long term care residents were diagnosed as having mental health problems.

Reporting Requirements

Reporting requirements for nursing hours in nursing homes were changed from worked hours to paid hours. This change was made to introduce consistency in reporting between nursing homes and auxiliary hospitals. Rather than using a minimum standard of nursing hours per resident day of *1.65 worked hours*, the minimum standard is now defined as *1.90 paid hours* on base funding. For the two-year period April 1, 1989 to March 31, 1991, a tolerance around the minimum paid hour requirement will be allowed, provided a minimum of 1.65 worked hours per resident day is achieved.

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Facilities which received additional case-mix funding must meet paid hours on the case-mix portion of their nursing hours. An information bulletin with further details will be released to facilities shortly.

Additional Funding for Heavy Care Supply Costs in Nursing Homes

To assist nursing homes in providing services for heavier care residents, additional funding for medical/surgical supplies has been approved. All nursing homes will receive a flat rate of \$0.05 per resident day for medical/surgical supplies, including injection supplies, retroactive to November 1, 1989. Nursing homes with a high case-mix index will receive additional funding according to the following schedule:

| Case-Mix Index | Funding |
|-----------------------|-------------------------|
| 79-99 | \$0.25 per resident day |
| 100-119 | \$0.30 per resident day |
| 120-139 | \$0.36 per resident day |
| 140-160 | \$0.41 per resident day |

As more information is available on the relationship between case-mix index and the cost of supplies, the funding methodology will be reassessed. These charges coincide with the transfer of funding responsibilities for injection and ostomy supplies from the Alberta Aids to Daily Living/Extended Health Benefits Branch to the Long Term Care Institutions Branch. The cost of approved ostomy supplies may be recovered on an annual basis from the Long Term Care Institutions Branch.

Oxygen in Nursing Homes: Calgary Pilot Project

Alberta Health will now begin to provide funding for nursing home residents requiring chronic oxygen utilization. This is another step in reducing service differences between auxiliary hospitals and nursing homes. A pilot project was established for the Calgary area, with the cooperation of Carewest, in order to provide cost data, test standards, and identify needs and potential problems with providing oxygen in nursing homes. The project will run until the end of December. Alberta Health will be proceeding with provincial implementation of the oxygen program effective January 1, 1990. Since final results of the pilot project will not be available for some time, funding for the interim will be on a cost reimbursement basis starting in January, 1990. Guidelines, eligibility criteria, and funding details will be circulated in the near future.

Other Provinces Show Interest in the Alberta Patient Classification System

In August, Alberta Health hosted members of the Ontario Task Force on Long Term Care. The mandate of this Task Force is to study new alternatives in long term care service delivery for Ontario. They came to Alberta specifically to learn about our province's new Patient Classification System. Our system was then piloted in a number of long term care facilities in Ontario in September.

Alberta Health has also given permission to the Manitoba Ministry of Health to pilot test our Patient Classification Form in several of their long term care facilities. Three nurses from Manitoba joined the Calgary Classifier training session in September to learn how to use the Patient Classification Form. As well, representatives from Alberta Health and the Alberta Long Term Care Association were recently asked to make a presentation on the classification system to the Saskatchewan Association of Special Care Homes. It certainly is exciting to see the interest in our system shown by other provinces. We will keep you posted about any developments in these provinces.

Highlights of 1989's Province-wide Classification

The 1989 province-wide patient classification process has been completed under the direction of the consulting firm of Peat Marwick Stevenson and Kellogg.



Crusading Calgary classifiers ... ready for action.

Thirty-six nurses with long term care facility experience (most of whom were staff nurses currently working in long term care facilities) were recruited as Nurse Classifiers. Many more were interested but not all could be accommodated this year. As in last year's classification, scores of 90 percent or greater were required on reliability tests, and all Nurse Classifiers were able to achieve this standard. Classifier Training sessions were held in



There is strength in numbers. Edmonton's classifiers.

September at the Millwoods Shepherd's Care Centre in Edmonton and the Dr. Vernon Fanning Extended Care Centre in Calgary. The staff and management of these two facilities are to be commended for their hospitality and cooperativeness, which certainly contributed to the success of the training workshops.

A number of changes were made to the classification procedures for this year. First of all, facility staff were not required to collect data on medications as the classifiers completed this task themselves. In addition, classifiers completed the coding of residents' medical diagnoses from the list of diagnoses provided by the facility. Finally, facilities were sent a list of residents classified in their institution in 1988 and asked to update this rather than developing a new list on their own. These changes were made based on feedback from the first province-wide classification. If you have suggestions for improving the process for next year, please let us know.

A number of revisions were also made to the Patient Classification Form and instruction manual based on feedback received last year from classifiers and facilities.

- The layout was changed to make it easier to fill out and verify information.
- The list of common medical diagnoses was revised extensively.
- Frequency of interventions was added to the therapeutic interventions section.
- Two of the example behaviours were revised, including the addition of anxiety as a separate item.

None of the indicators directly affecting classification category were changed. All long term care facilities were sent copies of the new Patient Classification Form and manual in September. Additional Patient Classification Forms and manuals are available from the Patient Classification Coordinator (address at the end of this report).

Debriefing sessions were held for the classifiers at the end of the province-wide classification. The purpose of these meetings was to get feedback on the classifiers' experiences and their recommendations for the future. Classifiers reported that they found their involvement with the project to be an exciting and challenging learning opportunity. They were very enthusiastic about the chance to meet their peers around the province and



Comments, suggestions (and paper) abound at a work session.

about their exposure to new concepts and ways of providing long-term care services. Classifiers came back excited about the innovation and new developments they had seen in the field and about their involvement in the long-term care sector. They return to their facilities now with a wealth of new ideas from which their employers can benefit.

Other than the odd hostage taking incident (actually only one!), the project ran on schedule and without any major complications. The classifiers commented on how graciously they were received at many places and reported that Alberta's western hospitality is alive and well across the province. Appreciation is expressed to all those who participated in the 1989 classification process, from the classifiers to staff who verified information with the classifiers, who completed diagnoses forms, who worked hard at updating their resident care documentation and those who were such wonderful hosts when the classifiers arrived in their facilities. Your cooperation has once again contributed in a major way to the success of this exciting new initiative in Alberta's long-term care system.

Integration of Auxiliary Hospitals and Nursing Homes

The Patient Classification project is the first step in the integration of auxiliary hospitals and nursing homes, a concept advocated in the 1982 Nursing Home Review Panel report, the recent Mirosh report on long-term care and in the many briefs received in response to the Mirosh report. One of the purposes of a new funding system based on Patient Classification is to resolve funding differences between long term care facilities. The next step in the integration process is to address differences in programs, services and policies such as drug coverage, leave of absence policies, eligibility for services and physician services. Because of the importance of this massive undertaking, a separate Integration Committee has been formed to oversee the integration process. To ensure input from all of those affected by system changes, the Committee has representatives from district, voluntary and privately owned facilities,

rural and urban settings, freestanding, combined and multilevel facilities, active treatment and Alberta Health. The first Committee meeting was held recently and an initial timeline and workplan drawn up.

You Asked Us

1. Do we have access to our facility's data?

Facility administrators/operators may request any data collected from their facility. All requests should be made by the facility administrator/operator to the Director, Long Term Care Institutions Branch (address at the end of this report). Please identify the purpose of the data request and be quite specific about the format (eg. specific variables, age categories to be used, etc.). Example tables would be helpful. Indicate a timeframe if deadlines are involved. The Patient Classification Coordinator will assess and coordinate all data requests. Data from the current classification will be available in the early spring of 1990.

2. Why is classification based on the last 24 hour period? For instance, some residents with mental illnesses may be unstable and require a significant amount of intervention one week and very little the next.

Classification is based on the current status of the resident, which generally refers to the most recent 24 hour period. Since documentation may not be done on a daily basis, the resident's chart and care plan is also reviewed for the *previous month* for documentation of the presence of a problem or condition. This ensures that residents with unstable care requirements are adequately assessed.

If you have additional questions, please feel free to write to the Patient Classification Coordinator.

Copies of this and previous Patient Classification Project Progress Reports may be obtained from:

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